

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF EAST LAUREL WATER) CASE NO. 2011-00456
DISTRICT)

O R D E R

On November 23, 2011, East Laurel Water District (“East Laurel”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. East Laurel purchases water from Wood Creek Water District (“Wood Creek”).
2. On November 18, 2011, Wood Creek increased its wholesale water rate to East Laurel from \$2.32 per 1,000 gallons to \$2.92 per 1,000 gallons.²
3. East Laurel proposes to increase its rates for water service effective December 22, 2011.
4. During the 12 months ending October 31, 2011, East Laurel purchased a total of 427,932,600 gallons of water and sold 278,569,222 gallons. The increase in the cost of purchased water is \$256,759.56, resulting in a purchased water adjustment of \$0.92 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2011-00209, Application of Wood Creek Water District for Approval of a Proposed Increase in Rates for Water Service (Ky. PSC Nov. 18, 2011).

5. The purchased water adjustment of \$0.92 per 1,000 gallons is fair, just, and reasonable and should be approved.

6. East Laurel's proposed rates are fair, just, and reasonable.

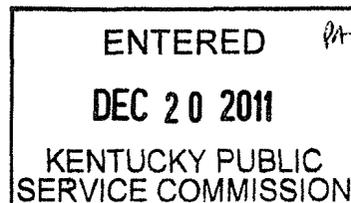
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.92 per 1,000 gallons as calculated in Appendix A is approved.

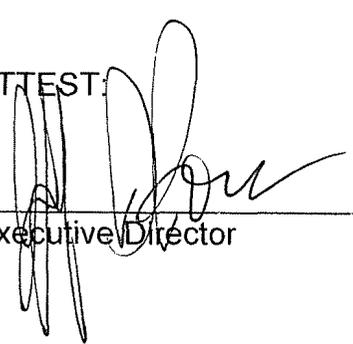
2. East Laurel's proposed rates, which are set forth in Appendix B, are approved for service rendered on or after December 22, 2011.

3. The tariff sheet filed by East Laurel is approved as filed.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00456 DATED **DEC 20 2011**

	New Rate	Base Rate	
East Laurel Water			
Purchases in gallons	427,932,600	427,932,600	
Volumetric rate	<u>\$ 2.92/1,000</u>	<u>\$ 2.32/1,000</u>	
	\$1,249,563.19	\$ 992,803.63	
	Increased water cost		\$256,759.56
Increased water cost		\$ 256,759.56	
Divided by gallons sold		<u>278,569,222</u>	
Purchased water adjustment factor		\$0.92 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00456 DATED **DEC 20 2011**

The following rates and charges are prescribed for the customers in the area served by East Laurel Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" X 3/4" Meter

First	2,000 Gallons	\$	17.24 Minimum Bill
Next	2,000 Gallons		6.67 Per 1,000 Gallons
Next	2,000 Gallons		6.46 Per 1,000 Gallons
Next	4,000 Gallons		5.78 Per 1,000 Gallons
Over	10,000 Gallons		5.21 Per 1,000 Gallons

1" Meter

First	6,000 Gallons	\$	43.50 Minimum Bill
Next	4,000 Gallons		5.78 Per 1,000 Gallons
Over	10,000 Gallons		5.21 Per 1,000 Gallons

2" Meter

First	20,000 Gallons	\$	118.72 Minimum Bill
Over	20,000 Gallons		5.21 Per 1,000 Gallons

3" Meter

First	30,000 Gallons	\$	170.82 Minimum Bill
Over	30,000 Gallons		5.21 Per 1,000 Gallons

Wholesale Rate		\$	4.14 Per 1,000 Gallons
----------------	--	----	------------------------

John Douglas Day
Chairman
East Laurel Water District
1670 Daniel Boone Parkway, East
P. O. Box 726
London, KY 40743